APPENDIX A: Continuing Government Operations in the 1710-1755 MHz Band

In the band 1710-1755 MHz, Federal Government stations in the fixed and mobile services shall operate on a primary basis until reaccommodated in accordance with the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999. Further, Federal Government stations may continue to operate in the band 1710-1755 MHz as provided below:

(a) Federal fixed microwave and tactical radio relay stations may operate indefinitely on a primary basis at the sites listed below:

Location	Coordinates	Radius of Operation (km)
Cherry Point, NC	34° 58' N 076" 56' W	80
Yuma, AZ	32° 32' N 113° 58' W	80

(b) Federal fixed microwave and tactical radio relay stations may operate on a secondary basis, and shall not cause harmful inference to, and must accept harmful interference from, primary non-Federal Government operations at the sites listed below:

Location	Coordinates	Radius of Operation (km)
China Lake, CA	35° 41' N 117° 41' W	80
Eglin AFB, FL	30° 29' N 086° 31' W	80
Pacific Missile Test Range/Point Mugu, CA	34" 07' N 119° 30' W	80
Nellis AFB, NV	36° 14' N 115° 02' W	80
Hill AFB, UT	41° 07' N 111° 58' W	80
Patuxent River, MD	38° 17' N 076° 25' W	80
White Sands Missile Range, NM	33° 00' N 106° 30' W	80
Fort Irwin, CA	35° 16' N 116° 41' W	50
Fort Rucker, AL	31° 13' N 085° 49' W	50
Fort Bragg, NC	35° 09' N 079° 01' W	50
Fort Campbell, KY	36" 41' N 087" 28' W	50
Fort Lewis, WA	47° 05' N 122° 36' W	50
Fort Benning, GA	32° 22' N 084° 56' W	50
Fort Stewart, GA	31° 52' N 081° 37' W	50

(c) In the sub-band 1710-1720 MHz, precision guided munitions shall operate on a primary basis until inventory is exhausted or until December 31, 2008, whichever is earlier.

APPENDIX B: Initial Regulatory Flexibility Analysis

Initial Regulatory Flexibility Analysis

As required by the Regulatory Flexibility Act (RFA),[187] the Commission has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities by the policies and rules proposed in this Notice of Proposed Rulemaking (NPRM). Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadline for comments provided in paragraph 87 of this NPRM. The Commission will send a copy of this *NF'RM,* including this **IRFA,** to the Chief Counsel for Advocacy of the Small Business Administration (SBA).[188] In addition, the NPRM and IRFA (or summaries thereof) will be published in the Federal Register.[189]

A. Need **for,** and Objectives **of,** the Proposed **Rules**

The NPRM seeks comment on service rules for Advanced Wireless Services (AWS) in the 1710-1755 MHz and 21 10-2155 MHz bands, including provisions for application, licensing, technical and operating rules, and for competitive bidding. These frequency bands have previously been used for a variety of Government and non-government services. The National Telecomniunications and Information Administration (NTIA) has identified the 1710-1755 MHz band for transfer from exclusive use by the Federal Government to the Commission for mixed use by the Government and other private services. The 2110-2150 MHz band was formerly used by private and common carrier fixed microwave services, but has been identified by the Commission for reallocation to services using new and innovative technologies. The 2150-2155 MHz band is used by the Multipoint Distribution Service. Concurrently with this NPRM, the Commission is adopting an order allocating these frequency bands for fixed and mobile services so as to provide for the introduction of new advanced wireless services to the public.

The Commission's goal in proposing the licensing and service rules detailed in the ***NPRM*** is to enable service providers to put this spectrum to its highest value use with minimal transaction costs. The Commission's proposals for service rules allow for flexibility and permit this spectrum to be used for any purpose consistent with its allocation, including third generation ***(3G)*** and other advanced wireless services. **As** a result, the market place and not the government **will** determine how this spectrum is used. Furthermore. the proposed rules will foster innovation and allow licensees to quickly adapt to changing market place conditions. In short, the proposed licensing and service rules should benefit the American consumer by giving them the services and value that they demand.

B. Legal Basis

The proposed action is authorized pursuant to sections 1, 2, 4(i), 7, 10, 201, 214, 301,302,303, 307. 308, 309, 310, 319, 324, 332 and 333 of the Communications Act of 1934, 47 U.S.C. §§ 151, 152, 154(i), 157,160, 201, 214, 301, 302, 303, 307, 308, 309,310.319, 324, 332, 333.

[187] ***See 5*** U.S.C. § 603. The RFA, **see *5*** U.S.C. § 601 *et seq.,* has been amended by the Contract With America Advancement Act of 1996, Pub. L. No. 104-121, 110 Stat. 847 (1996) (CWAAA). Title II of the CWAAA is the Small Business Regulatory Enforcement Fairness Act of 1996(SBREFA).

[188] ***See 5*** U.S.C. § 603(a).

[189] ***See id.***

C. Description and Estimate of the Number of Small Entities To Which the Proposed Rules Will Apply

The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the proposed rules, if adopted.'" The RFA generally defines the term "small entity" as having the same meaning as the terms "small business," "small organization," and "small government jurisdiction."[191] In addition, the term "small business" has the same meaning as the term "small business concern" under the Small Business Act.[192] A small business is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.[193] Nationwide, there are 4.44 million small business firms, according to SBA reporting data.[194]

A small organization is generally "any not-for-profit enterprise which is independently owned and operated and is not dominant in its field."'" Nationwide, as of 1992, there were approximately 275,801 small organizations.[196] Last, the definition of "small governmental jurisdiction" is one with populations of fewer than 50,000.[197] There are 85,006 governmental jurisdictions in the nation.[198] This number includes such entities as states, counties, cities, utility districts and school districts. There are no figures available on what portion of this number have populations of fewer than 50,000. However, this number includes 38,978 counties, cities and towns, and of those, 37,556, or ninety-six percent, have populations of fewer than 50,000.[199] The Census Bureau estimates that this ratio is approximately accurate for all government entities. Thus, of the 85,006 governmental entities, we estimate that ninety-six percent, or about 81,600, are small entities that may be affected by our rules.

The proposals in the NF'RM affect applicants who wish to provide service in the 1710-1755 MHz and 2110-2155 MHz bands. As discussed in paragraphs 74-80 of the NPRM, the Commission does not know precisely the type of service that a licensee in these bands might seek to provide. Nonetheless, the Commission anticipates that the services that will be deployed in these bands may have capital requirements comparable to those in the broadband Personal Communications Service (PCS), and that the licensees in these bands will be presented with issues and costs similar to those presented to broadband PCS licensees. Further, at the time the broadband PCS service was established, it was similarly anticipated that it would facilitate the introduction of a new generation of service. Therefore, the NF'RM proposes to adopt the same small business size standards here that the Commission adopted for the

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[190] 5 U.S.C. § 603(b)(3).

[191] *5* U.S.C. § *601(6).*

[192] 5 U.S.C. § 601(3) (incorporating by reference the definition of "small business concern" in 15 U.S.C. § 632). Pursuant to the WA, the statutory definition of a small business applies "unless an agency, after consultation with the Office of Advocacy of the Small Business Adnunistration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the Federal Register." 5 U.S.C. § 601(3).

[193] Small Business Act, 15 U.S.C. § 632 (1996).

[194] ***See*** U.S. Department of Commerce, Bureau of the Census, 1992 Economic Census. Table 6 (special tabulation of data under contract to Office of Advocacy of the U.S. Small Business Administration) (1992 Economic Census).

[195] 5 U.S.C. § 601(4).

[196] 1992 Economic Census, Table 6

[197] 5 U.S.C. § *601(5).*

[198] U.S. Department of Commerce, Bureau of the Census, 1992 Census of Governments

[199] ***Id.***

broadband PCS service. In particular, the NF'RM proposes to define a "small business" as an entity with average annual gross revenues for the preceding three years not exceeding $40 million, and a "very small business" as an entity with average annual gross revenues for the preceding three years not exceeding $15 million. (Paragraph 77 of the NF'RM.) The NPRM also proposes to provide small businesses with a bidding credit of 15 percent and very small businesses with a bidding credit of 25 percent. The NF'RM seeks comment on the use of these business size standards and also on the associated bidding credits for small business applicants (paragraph 77 of the NPRM) to be licensed in the 1710-1755 MHz and 2110-2155 MHz bands, with particular focus on the appropriate definitions of small and very small businesses as they relate to the size of the geographic area to be covered and the spectrum allocated to each licensee.

The Commission has not yet determined how many licenses will be awarded in the 1710-1755 MHz and 21 10-2155 MHz bands. Moreover. the Commission does not yet know how many applicants or licensees in these bands will be small entities. Thus, the Commission assumes, for purposes of this IRFA, that all prospective licensees are small entities as that term is defined by the SAA or by our proposed small business definitions for these bands. The Commission invites comment on this analysis.

Although the Commission does not know for certain which entities are likely to apply for these frequencies, we note that the 1710-1755 MHz and 21 10-2155 MHz bands are comparable to cellular service and personal communications service.

Wireless Telephone Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers. The Commission's most recent data, as reported in Table 5.3 of ***Trends in Telephone Service***,[200] estimates that there are 858 wireless telephone camers and that 291 of these camers in combination with their affiliates have 1,500 or fewer employees. In addition, the SBA has developed size standards for wireless small businesses within the two separate Economic Census categories of: (1) Paging and **(2)** Cellular and Other Wireless Telecommunications. For both of those categories, the SBA considers a business to be small if it has 1,500 or fewer employees.[201] According to the Commission's most recent ***Trends in Telephone Service*** data, 1,761 companies reported that they were engaged in the provision ofwireless service. Of these 1,761 companies, an estimated 1,175 have 1,500 or fewer employees and 586 have more than 1,500 employees.[202] Consequently, the Commission estimates that most wireless service providers are small entities.

D. Description of Projected Reporting, Recordkeeping, and other Compliance Requirements

The NPRM proposes a number of rule changes that will affect reporting, recordkeeping and other compliance requirements, The Commission will provide time for public comment on and seek Office of Management and Budget approval for any proposals that entail Papenvork Reduction Act burdens.

The NPRM first proposes flexible use of the bands under the regulatory framework contained in Part 27 of the Commission's rules, or alternatively seeks comment on governing the services in these

[200] FCC, Wireline Competition Bureau. Industry Analysis and Technology Division, ***Trends in Telephone Service***, Table 5.3, page 5-5 (May 2002) ***(Telephone Trends Report)*** (available on the internet at <http://www.fcc.gov/Bureaus/Common Carrier/Reports/FCC-State link/IAD/trend502.pdf>). Estimates of entities employing 1,500 or fewer employees are based on gross revenues information filed April 1, 2001, combined with employment information obtained from ARMIS and Securities and Exchange Commission filings, as well as industry employment estimates published by the Bureau of Labor Statistics. Filers were considered affiliated based on information from their FCC Form 499-A filings. The estimates do not reflect affiliates that do not provide telecommunications services or that operate only in foreign countries.

[201] 13 C.F.R. § 121.201, NAICS codes 517211, 517212

[202] ***Telephone Trends Report,*** Table ***5.3***

bands by the Part 24 or Part 22 rules, or by a newly created rule part. (Paragraphs 13-14 of the NF'RM.) Also, as discussed in paragraphs 16-18, the NPRM proposes a geographic area licensing scheme for the 1710-1755 MHz and 2110-2155 MHz bands. Thetransferofthe 1710-1755 MHz band from Federal Government use to non-Government commercial use is subject to the provisions of the National Telecommunications and Information Administration Organization Act, as amended by the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (NDAA-99).[203] NDAA-99 requires new non-Governmental licensees to reimburse Federal users for their relocation costs. (Paragraphs 33-34 of the *NPRM.)* NDAA-99 also grants the Federal user a limited reclamation right.

Entities interested in acquiring initial licenses to use spectrum in the 1710-1755 MHz and 2110-2155 MHz bands will be required to file using the Universal Licensing System, as discussed in paragraph 52 of the NPRM. **As** in other services, the licensees in these bands would be allowed to provide all allowable services anywhere within their licensed area. The Commission'scurrent mobile service license application requires an applicant for mobile services to indicate whether the service it intends to offer will be Commercial Mobile Radio Service (CMRS), Private Mobile Radio Service (PMRS), or both, since service offerings may bear on eligibility and other statutory and regulatory requirements. The NPRM also proposes to permit applicants to request common carrier status as well as non-common camer status for authorization in a single license, rather than to require the applicant to choose between common carrier and non-common services. These proposed regulatory status obligations are discussed at paragraphs 36-38 of the NPRM.

Also, as stated in paragraph 39 of the **NF'RM,** Sections 310(a) and 310(b) of the Communications Act, as modified by the Telecommunications Act of 1996, impose foreign ownership and citizenship requirements that restrict the issuance of licenses to certain applicants. ***An*** applicant requesting authorization for other than broadcast, common carrier, or aeronautical en route or fixed services would be subject to section 310(a), but not to the additional prohibitions of section 310(b). ***An*** applicant requesting authorization for these particular services would be subject to both sections 310(a) and 310(b). The **NF'RM** provides, however, that common camers and non-common camers filing an application should not be subject to varied reporting obligations. The NPRM does not propose a single, substantive standard for compliance. For example, the NPRM states that the Commission would not deny a license to an applicant requesting authorization exclusively to provide services not enumerated in section 310(b), solely because its foreign ownership would disqualify it from receiving a license if the applicant had applied for a license to provide the services enumerated in section 310(b).

In paragraphs 46-49 of the NPRM, the Commission seeks comment on whether licensees in the 1710-1755 MHz and 2110-2155 MHz bands should be subject to any performance requirements in addition to a substantial service requirement at license renewal, The NF'RM notes that in some services the Commission has imposed minimum coverage requirements on licensees to ensure that spectrum is used effectively and service is implemented promptly. The NPRM seeks comment on whether the Commission should establish any specific coverage requirements in the 1710-1755 MHz and 2110-2155 MHz bands, or whether coverage criteria should be adopted as one means, but not the exclusive means, of meeting a substantial service requirement. The NPRM also seeks comment on whether licensees should be subject to interim performance requirements prior to the end of the license term.

In paragraphs 50-51 of the NPRM, the Commission seeks comment on allowing licensees in the 1710-1755 MHz and 2110-2155 MHz bands to partition their service areas and to disaggregate their spectrum, If the Commission permits partitioning, then the partitioning licensee would have to include with its request a description of the partitioned service area and a calculation of the population of the partitioned service area and the licensed geographic service area.

[203] Pub. L. 105-261, 112 **Stat.** 1920 (1999), **as** codified at 47 U.S.C. § 923(g)

In paragraphs 54-71, the NPRM seeks comment on a number of technical issues and licensing obligations. The ***NPRM*** requests information on how best to control in-band and out-of-band interference, appropriate power limits, RF safety limits, and Canadian and Mexican coordination.

The Commission requests comment on how all of these requirements may be modified to reduce the burden on small entities and still meet the objectives of the proceeding.

E. Steps taken to Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered

The **RFA** requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): (1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance rather than design standards; and (4) an exemption from coverage of the rule, or any part thereof for small

The ***NPRM*** solicits comment on a number of proposals and alternatives regarding the reallocation of, and service rules for, the 1710-1755 MHz and 2110-2155 MHz bands. The ***NPRM*** seeks to adopt rules that will reduce regulatory burdens, promote innovate services and encourage flexible use of this spectrum. It opens up economic opportunities to a variety of spectrum users, including small businesses. The Commission considers various proposals and alternatives partly because we seek to minimize, to the extent possible, the economic impact on small businesses.

Paragraph 74 of the ***NPRM*** takes particular note of the Commission's legislative obligation to promote "economic opportunity and competition. . . by avoiding excessive concenhation of licenses and by disseminating licenses among a wide variety of applicants, including small businesses, rural telephone companies, and businesses owned by members of minority groups and women."[205] In recognition of this obligation and as discussed above, the NPRM first proposes to establish size standards for small and very small businesses based on the definitions used for the broadband PCS service. The NPRM also proposes to provide small businesses with a bidding credit of 15 percent and very small businesses with a bidding credit of 25 percent.

As indicated in paragraph **79** of the ***NPRM,*** the Commission believes that the small business size standards and corresponding bidding credits proposed in the NPRM would provide a variety of businesses with opportunities to participate in the auction of licenses for these bands, and afford licensees substantial flexibility for the provision of services with varying capital costs. However, the Commission recognizes that the capital costs of operational facilities in the 1710-1755 MHz and 2110-2155 MHz bands may vary widely. Thus, the NPRM particularly seeks comment on whether there may be any distinctive characteristics to the **AWS** service or these bands that suggest that the adoption of small business size definitions and the use of bidding credits would be inappropriate in this instance. Further, in paragraph 80, the Commission seeks comment on whether the small business provisions proposed in the NPRM are sufficient to promote participation by businesses owned by minorities and women, as well as rural telephone companies and small entities.

The NPRM invites comment on various alternative licensing and service rules and on a number of issues relating to how the Commission should craft service rules for this spectrum, that could have an

[204] 5 U.S.C. § 603(c).

[205] 47 U.S.C. § 309(j)(3)(B).

impact on small entities. For example, the Commission seeks comment on the size of spectrum blocks for these frequencies and how the size of spectrum blocks would impact small entities. (Paragraphs **26-32** of the ***NPRM.)*** The **NPRM** also proposes a geographic area approach to service areas, as opposed to a station-defined licensing approach, and seeks comment on the appropriate size of service areas. Specifically, the **NPRM** asks for comment on whether smaller geographic areas would better serve the needs of small entities. **As** explained in paragraph 20 of the ***NPRM,*** the Commission's approach to determining optimum geographic area license size(s) attempts to accommodate the likely range of applicant desires by balancing efficiency with the policy goal of disseminating licenses among a wide variety of applicants. The **NPRM** notes that the Commission wishes to foster service to rural areas and tribal lands, and to promote investment in and rapid deployment of new technologies and services. The NFRM also notes that small license areas may favor smaller entities with regional business plans and no interest in providing large-area service. In summary, the NPRM seeks comment on the advantages and disadvantages to small entities of a large geographic licensing scheme over a small one in terms of impact on rural and small entities. (Paragraphs **19-25** of the NPRM.)

As noted earlier, the NPRM seeks comment on permitting geographic partitioning and spectrum disaggregation. The NPRM notes that geographic partitioning and spectrum disaggregation is a tool utilized by the Commission to promote efficient spectrum use and economic opportunity for a wide variety of applicants, including small business. rural telephone. *minority-owned,* and women-owed applicants. (Paragraphs 50-51 of the NPRM.) The NFRM seeks comment on the benefits and costs of partitioning and disaggregation, and whether it promotes the public interest. Finally, the ***NPRM.*** in paragraphs 4042, seeks comment on whether any band-specific limits on spectrum aggregation are necessary or appropriate in this case, and how this would impact the marketplace, including small entities.

The regulatory burdens proposed in the NPRM, such as filing applications on appropriate forms, appear necessary in order to ensure that the public receives the benefits of innovative new services, or enhanced existing services, in a prompt and efficient manner. The Commission will continue to examine alternatives in the future with the objectives of eliminating unnecessary regulations and minimizing any significant economic impact on small entities. The Commission invites comment on any additional significant alternatives parties believe should be considered and on how the approach outlined in the ***NPRM*** will impact small entities, including small businesses and small government entities.

F. Federal Rules that **May** Duplicate, Overlap, or Conflict with the Proposed Rules

None.

STATEMENT OF CHAIRMAN MICHAEL K. POWELL

Re: ***Amendment*** of ***Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, including Third Generation Wireless Systems*** (adopted November 7,2002).

Re: ***Service Rules for Advanced Wireless Services in the 1.7 GHz and 2.1 GHz Bands*** (adopted November 7,2002).

I previously identified new revenue sources and new services as among the key steps to recovery in the telecommunications sector. By our action today, we will make available spectrum resources that camers and the consuming public demand – a major step in creating an environment hospitable to the introductionofnewandinnovativeproductsandservices. Accesstonew spectrumisnota cure for today's financially ailing wireless industry, but it is a key pre-condition to the long term health of the industry.

Today's decisions on the allocation and proposed service rules lay the groundwork for future innovation. We have allocated a significant slice of spectrum – two, contiguous 45 MHz blocks capable of being paired. Moreover, we have proposed few limitations on its use. Our service rules ***NPRM*** proposes affording future licensees the maximum possible flexibility in deciding how to put this resource into service for the public benefit. Within this framework, service providers can be expected to move spectrum quickly to its highest and best use.

We have not acted alone in taking this significant step toward making advanced wireless services a reality. Throughout this proceeding, the Commission has coordinated closely with **NTIA,** particularly since the release of its ***3G Viability Study*** this summer. I am grateful for Assistant Secretary Victory's leadership and support, and look forward to working with **NTIA** in carrying this process forward.

STATEMENT OF COMMISSIONER MICHAEL J. COPPS

RE: *In the Matter of Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, Including Third Generation Wireless Systems (Second Report and Order).*

In the Matter of Service Rules for Advanced Wireless Services in the 1.7 GHz and 2.1 GHz Bands (NPRM).

I commend the Commission for moving forward with these critical proceedings. 3G has been a hot issue since I arrived at the Commission, and before, I'm certain. Like my colleagues, I am very excited about what the future holds for wireless technologies in these frequencies.

This Commission has, of course, a large and important role in promoting innovative and efficient uses of the American people's spectrum. It is our responsibility in allocating spectrum and setting service rules to place the highest value on what new uses of spectrum will mean to consumers. I mention this because I hope that no one will think the FCC can magically make the current woes of the wireless industry go away by merely allocating new spechum. Life is not that simple! More importantly, we should always keep in mind that our job is to create a landscape where Americans can know that the spectrum that they have entrusted to us is used in their best interest, and that the endgame here goes beyond business interests to serve the public interest. If we do our job right here, I believe it will be a win-win for everyone.

I also hope that we will study the European experience with 3G very carefully. Various European countries moved ahead with 3G allocations before we did. Many of these countries allocated large amounts of spectrum to 3G. Despite that, 3G has been less than a success in Europe. What role did government allocations and service rules play? What other factors were at work? We need to know. Those who don't study history are condemned to repeat it.

But all that comes in the future. Today, the Commission has done the right thing, and has started the ball rolling on making spectrum available for exciting new technologies. I know that the negotiations over 3G spectrum were tough, and that the wireless industry was under some heavy pressures regarding things it may have wanted, and I hope those negotiations ended with the right result. We'll see.

What I can't wait to see is what all the amazing innovators in the communications industry come up with for these frequencies. From cellular to PCS to satellite to Wi-Fi, they hive consistently brought us exciting new technologies that pushed the envelope. We will have done our job well if our actions today result in more such advances.

Thank you

CONSOLIDATED SEPARATE STATEMENT OF COMMISSIONER KEVIN J. MARTIN

Re: *Amendment of* ***Part 2 of the Commission's Rules*** *To* ***Allocate Spectrum Below 3 GHz for Mobile and Fixed Services*** *To* ***Support the Introduction of New Advanced Wireless Services, including Third Generation Wireless Services,*** Second Report and Order, ET Docket No. 00-258; ***Service Rules for Advanced Wireless Services in the 1.7 and 2.1 GHz Bands***, Notice of Proposed Rulemaking, WT Docket No. 02-353

I am pleased to support these items, which allocate spectrum and seek comment on service rules for advanced wireless services in the 1.7 GHz and 2.1 GHz bands. These items provide two 45 MHz blocks of contiguous spectrum which, we propose, can be used for a range of advanced wireless services. While the wireless industry is already on the forefront in offering innovative new services, advances in technology are developing that will provide consumers exciting new applications such as truly high-speed Internet access on their mobile phones and the ability to use their mobile phones as cameras, sending digital pictures to other phones or computers at the touch of a button. A crucial ingredient to these services, however, is sufficient spectrum. These items provide some of that spectrum, making available a significant amount of spectrum that can be used for services such as expanded voice, data, and broadband applications provided over high-speed fixed and mobile networks – applications often called "third generation" ("3G") or, internationally, "International Mobile Telecommunications-2000" ("LMT-2000). These items should thus lead to substantial consumer benefits, as new and better quality services develop in the 1.7 GHz and 2.1 GHz bands.

I commend all of the different parts of government for working together to make this happen. In particular, the National Telecommunications and Information Administration deserves praise for spearheading this effort. **NTIA,** working with the Department of Defense, the State Department, the Office of Management and Budget, and the FCC's staff, developed a plan that serves as the blueprint for making this spectrum available. They accomplished a major step in ensuring that new and innovative wireless services **will** be available to American consumers.

These items also mark an important move toward a more predictable spectrum policy at the FCC. In the past, spectrum decisions have often been made ad hoc, leading to short bursts of spectrum being made available in response to specific exigencies. These items, in contrast, are part of a longer-range plan, in which we will make a significant amount of spectrum available over a period of several years. Spectrum users thus should have the certainty to develop business plans in advance of critical needs. They can be assured that when spectrum is needed it will be there.

These items are a step in the right direction. and I look forward to continuing our efforts to provide new and better services to consumers and certainty and predictability to the spectrum community.